

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5**

In the Matter of:)	EPA-5-22-113(a)-IL-01
)	
Phillips 66 Company)	Proceeding Under Section[s] 113(a)(1)(3) and
Roxana, Illinois)	114(a)(1) of the Clean Air Act, 42 U.S.C.
)	§§ 7413(a)(1)(3) and 7414(a)(1)

Administrative Consent Order

1. The Director of the Enforcement and Compliance Assurance Division, U.S. Environmental Protection Agency (EPA), Region 5, is issuing this Order to Phillips 66 Company (Phillips 66) under Section 113(a)(1) of the Clean Air Act (CAA), 42 U.S.C. § 7413(a)(1).

Statutory and Regulatory Background

2. Under Section 112 of the CAA, U.S.C. § 7412, EPA promulgated the National Emission Standards for Hazardous Air Pollutants (NESHAP) for Benzene Emissions from Benzene Transfer Operations at 40 C.F.R. §§ 61.300 through 61.306. The NESHAP for Benzene Emissions from Benzene Transfer Operations applies to the total of all loading racks at which benzene is loaded into tank trucks, railcars, or marine vessels at each benzene production facility and each bulk terminal.

3. The NESHAP, at 40 C.F.R. § 61.302(b), requires the owner or operator of each applicable benzene production facility and each applicable bulk terminal to install a control device and reduce benzene emissions routed to the atmosphere through the control device by 98 weight percent.

4. Under Section 113(a)(3) of the CAA, 42 U.S.C. § 7413(a)(3), the Administrator of EPA may issue an order requiring compliance to any person who has violated or is violating the NESHAP for Benzene Emissions from Benzene Transfer Operations regulations. The

Administrator has delegated this authority to the Director of the Enforcement and Compliance Assurance Division.

Findings

5. Phillips 66 owns and operates a petroleum refinery at 900 S Central Ave, Roxana, Illinois (the Facility).

6. At the Facility, Phillips 66 operates loading racks in Hartford, Illinois, at which benzene is loaded into marine vessels. Phillips 66 is subject to the NESHAP for Benzene Emissions From Benzene Transfer Operations at 40 C.F.R. Part 61, Subpart BB.

7. On July 2, 2021, EPA issued to Phillips 66 a finding of violation alleging that Phillips 66 violated the NESHAP for Benzene Emissions From Benzene Transfer Operations by failing to reduce benzene emissions routed to the atmosphere through the control device by 98 weight percent in violation of 40 C.F.R. § 61.302(b).

8. On July 14, 2021, representatives of Phillips 66 and EPA discussed the July 2, 2021 finding of violation.

9. EPA finds that Phillips 66 violated the NESHAP for Benzene Emissions From Benzene Transfer Operations at 40 C.F.R. § 61.302(b). Phillips 66 neither admits nor denies this finding.

Compliance Program

10. Phillips 66 achieved compliance with the NESHAP for Benzene Emissions From Benzene Transfer Operations at 40 C.F.R. § 61.302(b) on May 12, 2020 at the Facility.

11. Phillips 66 must continue to reduce benzene emissions routed to the atmosphere through the control device by 98 weight percent as required in 40 C.F.R. § 61.302(b).

12. Phillips 66 must continue to keep the thermal oxidizer pilot lit with natural gas while any emissions are routed through the thermal oxidizer and continue to purge with natural

gas to the thermal oxidizer instead of nitrogen (N₂) for each barge loading as stated in the current standard operating procedures “WR-DCK-NOP-LR039-MVC System - Startup and Load Benzene Barges, Published Version 3.0.0” (“SOP”), implemented on May 12, 2020, to ensure it is controlling benzene emissions routed through the control device in compliance with 40 C.F.R. § 61.302(b).

13. Phillips 66 must advise EPA of any amendments to the thermal oxidizer pilot light and natural gas purge procedures in the N₂ Purge, Compressor Startup, and Natural Gas Startup section of the SOP, and the basis of the amendment, or deviations from these procedures, within 30 days of such amendment or deviation, that occur during the two year period beginning with the effective date of this Order.

14. Phillips 66 must send all reports required by Paragraph 13 of this Order by electronic mail to r5airenforcement@epa.gov and defranco.karyn@epa.gov. If you are unable to send a report to these addresses due to email size restrictions or other problems, use these email addresses to make additional arrangements for transmission of the report.

General Provisions

15. Phillips 66 consents to the transmission of this Order by e-mail at the following e-mail address(es): thomas.r.morgan@p66.com and donna.h.carvalho@p66.com.

16. This Order does not affect Phillips 66 responsibility to comply with other federal, state, and local laws.

17. This Order does not restrict EPA’s authority to enforce the CAA and its implementing regulations.

18. Failure to comply with this Order may subject Phillips 66 to penalties of up to \$102,638 per day for each violation under Section 113 of the CAA, 42 U.S.C. § 7413, and 40 C.F.R. Part 19.

19. The terms of this Order are binding on Phillips 66, its assignees and successors. Phillips 66 must give notice of this Order to any successors in interest prior to transferring ownership and must simultaneously verify to EPA, at the above address, that it has given the notice.

20. EPA may use any information submitted under this Order in an administrative, civil judicial, or criminal action.

21. Phillips 66 agrees to the terms of this Order. Phillips 66 waives any remedies, claims for relief, and otherwise available rights to judicial or administrative review that it may have with respect to any issue of fact or law set forth in this Order, including any right of judicial review under Section 307(b) of the CAA, 42 U.S.C. § 7607(b).

22. For purposes of the identification requirement in Section 162(f)(2)(A)(ii) of the Internal Revenue Code, 26 U.S.C. § 162(f)(2)(A)(ii), and 26 C.F.R. § 1.162-21(b)(2), performance of Paragraphs 11 through 14 are restitution, remediation, or required to come into compliance with the law.

23. This Order is effective on the date of signature by the Director of the Enforcement and Compliance Assurance Division. This Order will terminate two years from the effective date, provided that Phillips 66 has complied with all terms of the Order throughout its duration.

In the Matter of: Phillips 66 Company

Phillips 66 Company

1/14/2022
Date


Gerald Knoyle, Vice President *OK*
Phillips 66 Company, Wood River Refinery

In the Matter of: Phillips 66 Company

United States Environmental Protection Agency

Michael D. Harris
Director
Enforcement and Compliance Assurance Division
U.S. Environmental Protection Agency, Region 5